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13 VINA CUESTA STATUA

14 UNITED STATES DISTRICT COURT
15 NORTHERN DISTRICT OF CALIFORNIA –
16 OAKLAND DIVISION

17 PRINCIPAL LIFE INSURANCE
18 COMPANY,

19 Plaintiff,

20 v.

21 VINA CUESTA STATUA.
22 INOCENCIO S. AMBE, CORAZON
23 AMBE CABALES, ESTELA D. REED,
24 and DOES 1-10,

25 Defendants.

CASE NO. C 07-04915 CW

**DEFENDANT VINA CUESTA STATUA'S
ANSWER TO COMPLAINT IN
INTERPLEADER FOR DECLARATORY
RELIEF**

26 DEFENDANT, VINA CUESTA STATUA, (hereinafter referred to as
27 "Defendant"), by its attorneys, the law firm of De Vries Law Group, hereby submits
28 her answer to Complaint in Interpleader and Declaratory Relief (hereinafter referred
to as "Complaint") as follows:

JURISDICTION AND VENUE

1. In answer to paragraph 1 of the Complaint, Defendant, without admitting that Defendant Estella Reed ("Defendant REED") is entitled to any of the life insurance proceeds deposited with this Court, admits all the allegations contained therein.
2. In answer to paragraph 2 of the Complaint, Defendant admits all the

1 allegations contained therein.

2 3. In answer to paragraph 3 of the Complaint, Defendant is without sufficient
3 knowledge and information sufficient to form a belief as to the truth contained in said
4 paragraph and therefore is unable to admit or deny the allegations contained
5 therein.

6 4. In answer to paragraph 4 of the Complaint, Defendant admits all the
7 allegations contained therein.

8 5. In answer to paragraph 5 of the Complaint, Defendant admits all the
9 allegations contained therein.

10 6. In answer to paragraph 6 of the Complaint, Defendant admits all the
11 allegations contained therein.

12 7. In answer to paragraph 7 of the Complaint, Defendant admits all the
13 allegations contained therein except that Defendant REED is a cousin of decedent
14 Natividad A. Cuesta, which is denied.

15 8. In answer to paragraph 8 of the Complaint, Defendant admits all the
16 allegations therein except that Defendant is without sufficient knowledge and
17 information to form a belief as to the net benefit from life insurance policy 4346789
18 total \$57,433.54, and on that basis is unable to admit or deny that specific
19 allegation.

20 9. In answer to paragraph 9 of the Complaint, Defendant admits all the
21 allegations therein.

22 10. In answer to paragraph 10, Defendant is without sufficient knowledge and
23 information to form a belief as to the truth contained in said paragraph, and on that
24 basis denies each and every allegation contained therein.

25 11. In answer to paragraph 11, Defendant is without sufficient knowledge and
26 information sufficient to form a belief as to the truth contained in said paragraph, and
27 on that basis denies each and every allegation contained therein.

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FIRST CLAIM FOR RELIEF

INTERPLEADER

12. In answer to paragraph 12, Defendant re-alleges and incorporates by reference paragraphs 1 through 11 above as fully set forth herein.

13. In answer to paragraph 13, Defendant admits all the allegations therein.

14. In answer to paragraph 14, Defendant admits all the allegations therein.

15. In answer to paragraph 15, Defendant is without knowledge and information to form a belief as to the truth contained in said paragraph, and on that basis is unable to admit or deny the allegations contained therein.

16. In answer to paragraph 16 of the Complaint, Defendant admits all the allegations therein.

17. In answer to paragraph 17 of the Complaint, Defendant admits all the allegations therein.

18. In answer to paragraph 18, Defendant is without sufficient knowledge and information to form a belief as to the truth contained in said paragraph, and on that basis denies each and every allegation contained therein.

19. In answer to paragraph 19, Defendant admits all the allegations therein.

20. In answer to paragraph 20, Defendant admits all the allegations therein.

21. In answer to paragraph 21, Defendant is without sufficient knowledge and information to form a belief as to the truth contained in said paragraph, and on that basis denies each and every allegation contained therein.

22. In answer to paragraph 22 of the Complaint, Defendant admits all the allegations therein.

23. In answer to paragraph 23 of the Complaint, Defendant admits all the allegations therein.

24. In answer to paragraph 24, Defendant is without sufficient knowledge and information to form a belief as to the truth contained in said paragraph, and on that basis denies each and every allegation contained therein.

1 25. In answer to paragraph 25, Defendant is without sufficient knowledge and
2 information sufficient to form a belief as to the truth contained in said paragraph, and
3 on that basis denies each and every allegation contained therein.

4 26. In answer to paragraph 26, Defendant will admit that Defendant claims that
5 the alleged beneficiary change dated April 2, 2007 was not valid, however
6 Defendant denies the remainder of the allegations contained therein.

7 27. In answer to paragraph 27, Defendant will admit it received a letter from
8 PRINCIPAL LIFE discussing the alleged competing claims and indicating that if the
9 parties could not settle the dispute surrounding the distribution of the life insurance
10 proceeds from Policy No. 4346789, PRINCIPAL LIFE would move forward with an
11 Interpleader action and would seek to recover its costs associated with said action;
12 Defendant is without is without sufficient knowledge and information to form a belief
13 as to the truth contained in the remainder of said paragraph, and on that basis
14 denies those allegations contained therein.

15 28. In answer to paragraph 28, Defendant is without sufficient knowledge and
16 information to form a belief as to the truth contained in said paragraph, and on that
17 basis is unable to admit or deny the allegations contained therein.

18 29. In answer to paragraph 29, Defendant is without sufficient knowledge and
19 information to form a belief as to the truth contained in said paragraph, and on that
20 basis is unable to admit or deny the allegations contained therein.

21 30. In answer to paragraph 30, Defendant admits the allegations contained
22 therein.

23 31. In answer to paragraph 31, Defendant will admit that by reason of the
24 decedent's death, the life insurance proceeds under PRINCIPAL LIFE insurance
25 policy number 4346789 are due and owing to this answering Defendant, Inocencio
26 S. Ambe, and Corazon Ambe Cabales. Defendant will also admit that at the time of
27 the insured's death the face amount was Fifty Thousand dollars and no cents
28 (\$50,000.00); Defendant is without sufficient knowledge, to form a belief as to the

1 truth contained in the remainder of the allegations of said paragraph, and on that
2 basis is unable to admit or deny said allegations.

3 32. In answer to paragraph 32, Defendant, without admitting that Defendant
4 REED is entitled to any of the life insurance proceeds deposited with this Court,
5 admits all the allegations therein.

6 33a. In answer to paragraph 33a, Defendant admits all the allegations therein
7 except that there was an alleged beneficiary change on April 2, 2007 to Defendant
8 REED which is denied.

9 33b. In answer to paragraph 33b, Defendant admits all the allegations therein
10 except that there was an alleged beneficiary change on April 2, 2007 to Defendant
11 REED which is denied.

12 33c. In answer to paragraph 33c, Defendant admits all the allegations therein
13 except that there was an alleged beneficiary change on April 2, 2007 to Defendant
14 REED which is denied.

15 33d. In answer to paragraph 33d, Defendant is informed and believes that
16 Defendant REED may be claiming entitlement to the proceeds, however Defendant
17 denies that Defendant REED is a cousin of decedent Cuesta; Defendant denies that
18 Defendant REED is entitled to any of the life insurance proceeds under policy
19 number 4346789; and Defendant denies that the beneficiary was changed to
20 Defendant REED 6 days before decedent Cuesta died from cancer.

21 34. In answer to paragraph 34, Defendant, without admitting that Defendant
22 REED is entitled to any of the proceeds deposited with this court, admits the
23 allegations therein.

24 35. In answer to paragraph 35, Defendant, without admitting that Defendant
25 REED is entitled to any of the proceeds deposited with this Court or that there was a
26 change in beneficiary on April 2, 2007, admits the allegations therein.

27 36. In answer to paragraph 36, Defendant will admit the allegations therein.

28 37. In answer to paragraph 37, Defendant will admit that PRINCIPAL LIFE has

1 deposited with the Clerk of this Court a check totaling Fifty Seven Thousand Four
2 Hundred Thirty-Three Dollars and Fifty-Four cents (\$57,433.54); Defendant is
3 without sufficient knowledge and information to form a belief as to the truth
4 contained in the remainder of said paragraph, and on that basis denies those
5 allegations.

6 38. In answer to paragraph 38, Defendant admits all the allegations contained
7 therein except the allegations that PRINCIPAL LIFE's attorney's fees, costs and
8 disbursements are and should be a legal charge upon the proceeds of the life
9 insurance policy, number 4346789 and should be repaid to PRINCIPAL LIFE out of
10 the funds that it has deposited with the Clerk of this Court, which are denied

11 39. In answer to paragraph 39, Defendant admits that this Defendant, Defendant
12 Ambe, and Defendant Cabales have claims to the life insurance proceeds, however
13 Defendant denies the remainder of allegations contained therein.

14 40. In answer to paragraph 40, Defendant is without sufficient knowledge and
15 information to form a belief as to the truth contained in said paragraph, and on that
16 basis denies the allegations contained therein.

17 41. In answer to paragraph 41, Defendant is without sufficient knowledge and
18 information to form a belief as to the truth contained in said paragraph, and on that
19 basis denies the allegations contained therein.

20 42. In answer to paragraph 42, Defendant is without sufficient knowledge and
21 information to form a belief as to the truth contained in said paragraph, and on that
22 basis denies the allegations contained therein.

23 **SECOND CLAIM FOR RELIEF**

24 **DECLARATORY RELIEF**

25 43. In answer to paragraph 43, Defendant re-alleges and incorporates by
26 reference paragraphs 1 through 42 above as though fully set forth herein.

27 44a. In answer to paragraph 44a, Defendant admits all the allegations therein
28 except that there was an alleged beneficiary change on April 2, 2007 to Defendant

1 REED which is denied.

2 44b. In answer to paragraph 44b, Defendant admits all the allegations therein
3 except that there was an alleged beneficiary change on April 2, 2007 to Defendant
4 REED which is denied.

5 44c. In answer to paragraph 44c, Defendant admits all the allegations therein
6 except that there was an alleged beneficiary change on April 2, 2007 to Defendant
7 REED which is denied.

8 44d. In answer to paragraph 44d, Defendant is informed and believes that
9 Defendant REED may be claiming entitlement to the proceeds, however Defendant
10 denies that Defendant REED is a cousin of decedent Cuesta; Defendant denies that
11 Defendant REED is entitled to any of the life insurance proceeds under policy
12 number 4346789; and Defendant denies that the beneficiary was changed to
13 Defendant REED 6 days before decedent Cuesta died from cancer.

14 45. In answer to paragraph 45, Defendant is without sufficient knowledge and
15 information to form a belief as to the truth contained in said paragraph, and on that
16 basis denies the allegations contained therein.

17 46. In answer to paragraph 46, Defendant is without sufficient knowledge and
18 information to form a belief as to the truth contained in said paragraph, and on that
19 basis denies the allegations contained therein.

20 47. In answer to paragraph 47, Defendant is without sufficient knowledge and
21 information to form a belief as to the truth contained in said paragraph, and on that
22 basis denies the allegations contained therein.

23 **AFFIRMATIVE DEFENSES**

24 **FIRST AFFIRMATIVE DEFENSE**

25 Defendant REED is barred from asserting any claim to the benefits from life
26 insurance policy 4346789 by virtue of Defendant REED's unclean hands.

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1 SECOND AFFIRMATIVE DEFENSE

2 Defendant REED is barred from asserting any claim to the benefits from life
3 insurance policy 4346789 by virtue of Defendant REED's fraud.

4 THIRD AFFIRMATIVE DEFENSE

5 The Complaint and each cause of action thereof, is barred by the applicable
6 statutes of limitation.

7 FOURTH AFFIRMATIVE DEFENSE

8 The Complaint and each cause of action thereof, fails to state facts sufficient
9 to constitute a cause of action, claim for relief, or damages against this answering
10 Defendant.

11 FIFTH AFFIRMATIVE DEFENSE

12 At the time of the incidents alleged in plaintiff's complaint, plaintiff failed to
13 exercise reasonable or ordinary care such that the damages, attorneys' fees, or
14 costs, allegedly sustained by plaintiff was proximately caused or contributed to by its
15 own negligence.

16 SIXTH AFFIRMATIVE DEFENSE

17 Plaintiff has unreasonably delayed in bringing this action to the prejudice of
18 this answering Defendant and is therefore barred from bringing this action by the
19 Doctrine of Laches.

20 SEVENTH AFFIRMATIVE DEFENSE

21 Plaintiff is at fault, through its own negligence or otherwise, in and about the
22 matter referred to in the Complaint, and such fault on the part of plaintiff legally
23 caused and contributed to the damages, attorneys' fees and/or costs, complained
24 of, if any there are. This answering Defendant further alleges that any fault not
25 attributable to plaintiff was a result of fault on the part of persons and/or entities
26 other than this answering Defendant. Such fault bars and/or proportionately
27 reduces any recovery by plaintiff against this answering Defendant.

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EIGHTH AFFIRMATIVE DEFENSE

Plaintiff has failed and neglected to use reasonable care to minimize and mitigate the losses, damages, attorneys' fees or costs complained of, if any there are.

NINTH AFFIRMATIVE DEFENSE

The complaint, and each cause of action thereof, is barred by virtue of plaintiffs' conduct in causing the damages alleged by plaintiffs under the Doctrine of Unclean Hands.

TENTH AFFIRMATIVE DEFENSE

Defendant presently has insufficient knowledge or information on which to form a belief as to whether they may have additional, as yet unstated, defenses available. Defendant reserves herein the right to assert additional defenses in the event discovery indicated that they would be appropriate.

WHEREFORE, Defendant prays judgment, as follows:

1. That Defendant VINA CUESTA STATUA is entitled to recover 94% of the insurance policy, policy number 4346789, benefits currently deposited with the Clerk of this Court;
2. That Defendant INOCENCIO S. AMBE is entitled to recover 3% of the insurance policy, policy number 4346789, benefits currently deposited with the Clerk of this Court;
3. That Defendant CORAZON AMBE CABALES is entitled to recover 3% of the insurance policy, policy number 4346789, benefits currently deposited with the Clerk of this Court;
4. That Defendant REED has no right or interest in the benefits of insurance policy number 4346789 currently deposited with the Clerk of the Court;
5. That plaintiff's request for attorneys' fees and costs be summarily denied;

1 6. For Defendant's attorneys' fees and costs and expenses of suit

2 incurred herein; and

3 7. For such other further relief as the court may deem just and proper.

4 DATED: *Nov 29, 2007*

6 DE VRIES LAW GROUP

7 By 

8 MARC J. CARDINAL
9 Attorneys for Defendant
10 VINA CUESTA STATUA
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PROOF OF SERVICE

Case Name: *Principal Ins. Co. vs. Statua, et al.*

Action Number: C 07-04915 CW

I am a citizen of the United States of America. My business address is Post Office Box 996/53 Muckelemei Street, San Juan Bautista, California, 95045. I am employed in the County of San Benito where this service occurs. I am over the age of 18 years, and not a party to this litigation. I am readily familiar with my employer's normal business practice for collection and processing of correspondence for mailing with the U.S. Postal Service and that practice is that correspondence is deposited with the U.S. Postal Service the same day as the day of collection in the ordinary course of business.

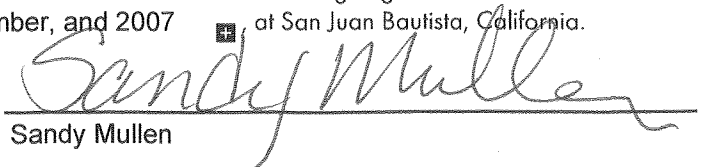
On the date set forth below, following ordinary business practice, I served a true copy of the foregoing document(s) described as:
**DEFENDANT VINA CUESTA STATUA'S ANSWER TO COMPLAINT IN INTERPLEADER FOR
DECLARATORY RELIEF**

The above described documents were served on the following interested parties in the manner set forth below, or on the attached service list.

Corazon Ambe Cabaes
14323 Merced Street
San Leandro, CA 94579

- ☐ **BY FAX:** By transmitting via facsimile the document(s) listed above to the facsimile number(s) set forth below, or as stated in the attached service list, on this date before 4:00 p.m.
- ☒ **BY MAIL:** I caused such envelope(s) with affixed prepaid postage to be placed in the United States mail in San Juan Bautista, California.
- ☐ **BY PERSONAL SERVICES:** I caused such envelope(s) to be delivered by hand this date to the offices of the addressee(s).
- ☐ **BY OVERNIGHT DELIVERY:** I caused such envelopes to be delivered to an overnight delivery service with all fees paid in advance, addressed to the person(s) on whom it was to be served.

I declare under penalty of perjury pursuant to the laws of the State of California that the foregoing is true and correct and this proof of service was executed this 29th day of November, and 2007 at San Juan Bautista, California.


Sandy Mullen